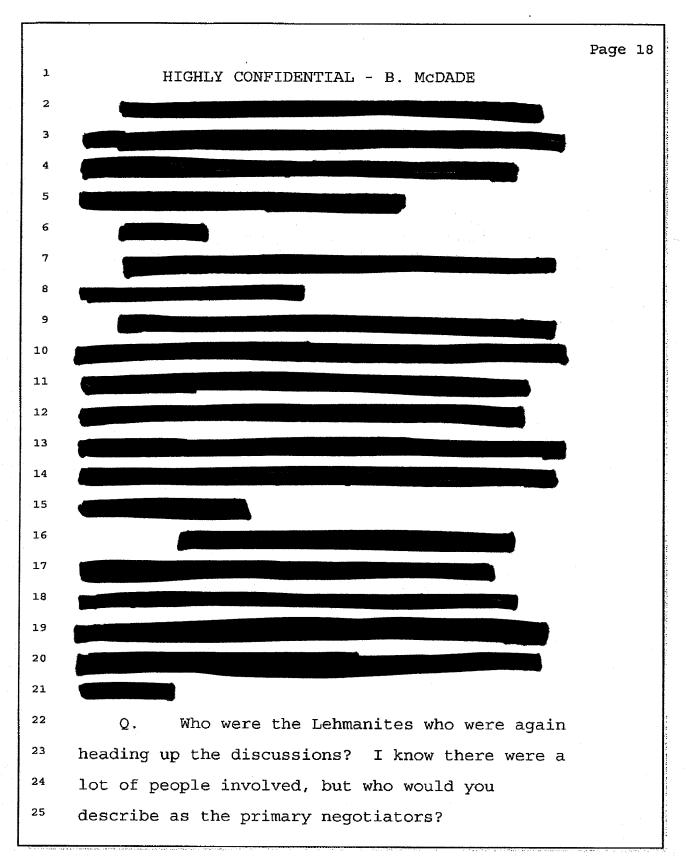
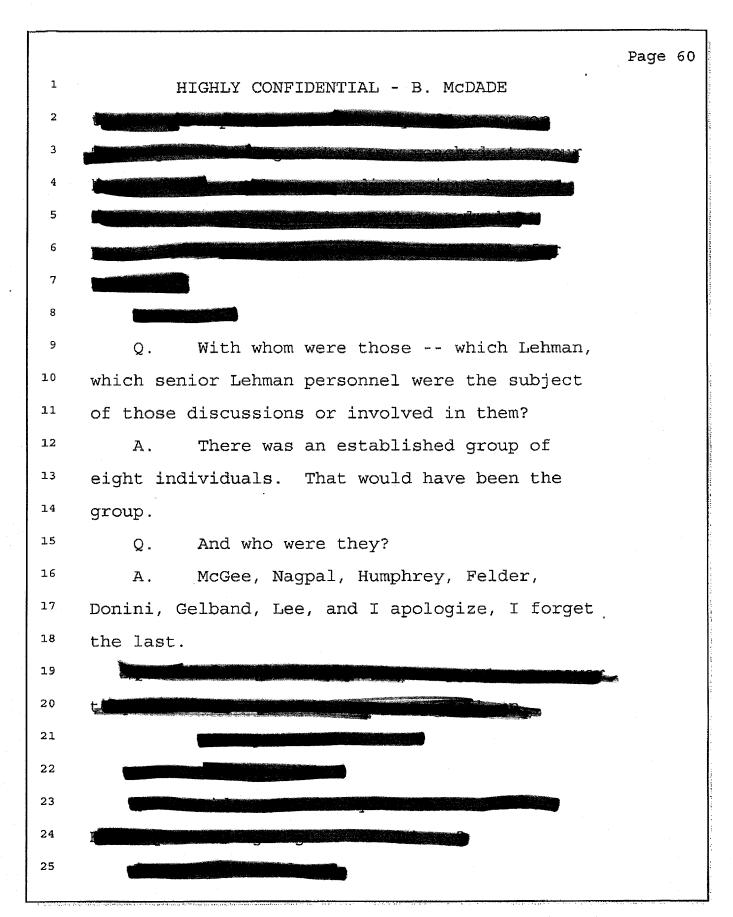
```
Page 1
            HIGHLY CONFIDENTIAL - B, McDADE
            UNITED STATES BANKRUPTCY COURT
            SOUTHERN DISTRICT OF NEW YORK
     -----x
    In Re:
6
                               Chapter 11
7
    LEHMAN BROTHERS
                       Case No. 08-13555(JMP)
8
    HOLDINGS, INC., et al., (Jointly Administered)
9
                   Debtors.
10
11
            * * *HIGHLY CONFIDENTIAL* * *
13
              DEPOSITION OF BART McDADE
14
                  New York, New York
15
                  September 2, 2009
16
17
18
19
20
21
22
23
    Reported by:
24
    KATHY S. KLEPFER, RMR, RPR, CRR, CLR
25
    JOB NO. 24045
```

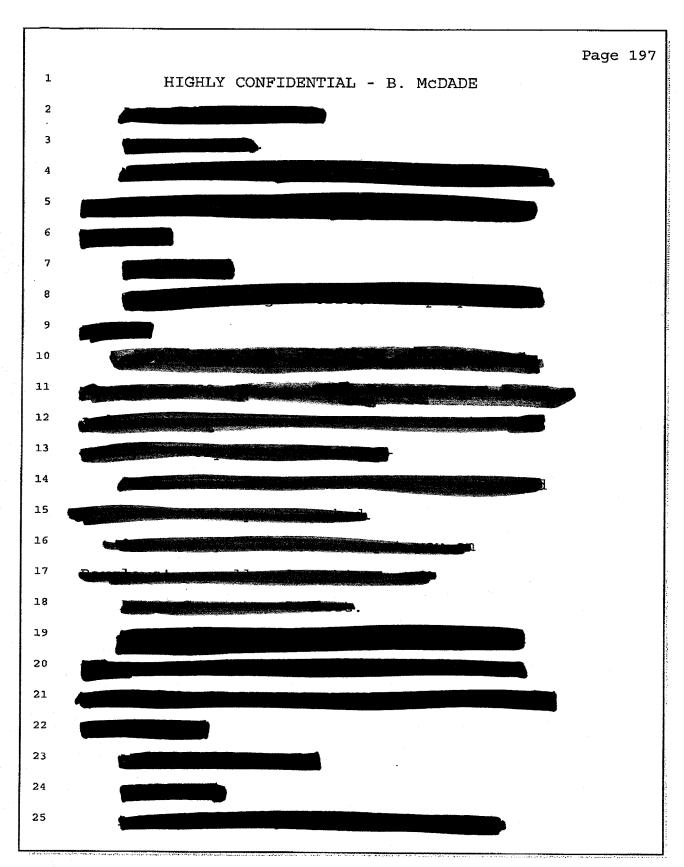
		Page	2
1	HIGHLY CONFIDENTIAL - B. McDADE		
2	September 2, 2009		
3	9:57 a.m.		
4			
5	HIGHLY CONFIDENTIAL deposition		
6	of BART McDADE, held at Jones Day, LLP,		
7	222 East 41st Street, New York,		
8	New York, before Kathy S. Klepfer, a		
9	Registered Professional Reporter,		
10	Registered Merit Reporter, Certified		
11	Realtime Reporter, Certified Livenote		
12	Reporter, and Notary Public of the State		
13	of New York.		
14			
15			
16			
17			
18			
19			
20			
21			
22			
23 -			
24			
25			
-			



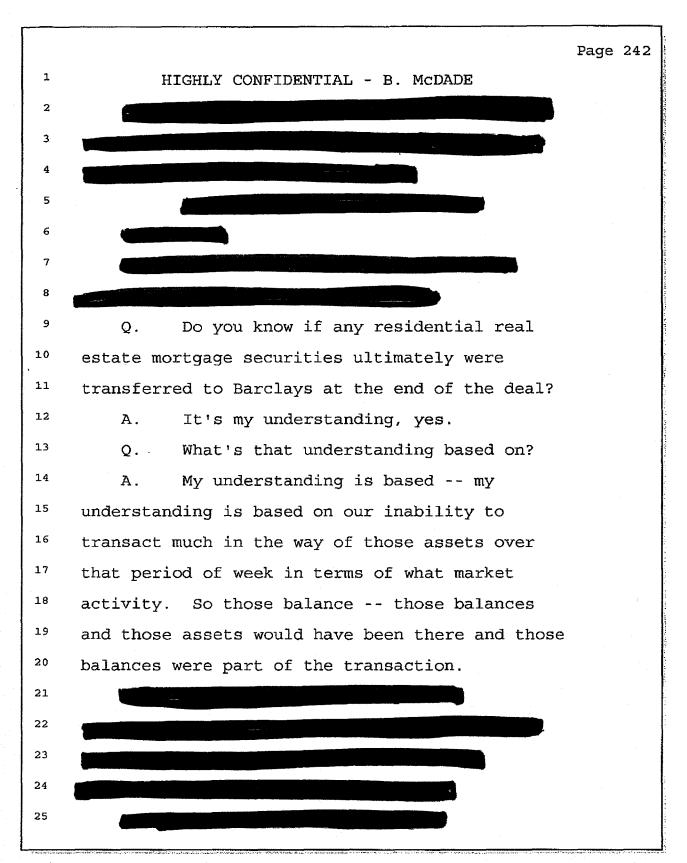
Page 19 1 HIGHLY CONFIDENTIAL - B. McDADE Bart McDade, Skip McGee, Mark Shafir, Α. 3 clearly Dick Fuld was an informed party but not 4 in the room in terms of those discussions, would be how I would describe the main, the main Lehman principals. Q. And who were the principals for BarCap? 9 Α. Rich Ricci, Jerry del Missier, and 10 their advisor, Michael Klein. And sorry, 11 Archibald Cox, the CEO of the Americas. 12 Q. Was Diamond involved? 13 Α. In and out. 14 15 16 17 18 19 20 21 22 23 24 25

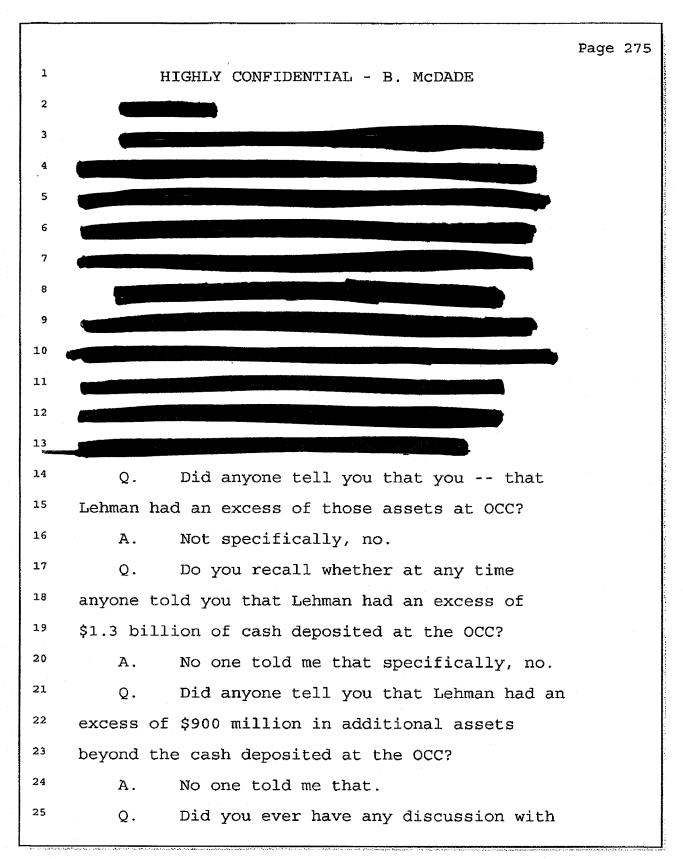


TSG Reporting - Worldwide 877-702-9580



TSG Reporting - Worldwide 877-702-9580





Page 276

- HIGHLY CONFIDENTIAL B. McDADE
- Barclays about Barclays acquiring the \$2.2
- billion of excess cash and assets margin at OCC?
- MR. HUME: Objection. Lacks
- 5 foundation.
- A. I specifically did not.
- Q. Are you aware whether Barclays ever
- asked anyone at Lehman to include any of those
- 9 assets in the sale?
- A. I'm not specifically aware of any
- specific dialogue with respect to those options,
- the collateral, BarCap and Lehman.
- Q. And to your knowledge, was there ever
- any intent on the part of Lehman to transfer any
- of those excess cash, that 1.3 billion or any
- additional assets, that was clearing in margin
- at OCC to Barclays as part of the sale?
- A. My recollection is the original
- contemplation of those positions would have
- been, to your point, the actual positions
- themselves. Collateral would have been a
- secondary consideration. We were concerned
- 23 about our collateral positions.
- However, I think over the course of
- the week, that became -- that became, to my

Page 277

- HIGHLY CONFIDENTIAL B. McDADE
- ² recollection, over the course of time, that
- became something that ended up, I believe, in
- 4 the clarifying document.
- ⁵ Q. Did anyone tell you that the, under
- the clarifying document, there had been some
- ⁷ agreement where Barclays to transfer to Barclays
- an additional \$2.2 billion of cash and
- 9 securities representing margin, excess margin
- and other assets at OCC?
- ¹¹ A. No.
- MR. HUME: Objection. Vague and
- ambiguous. Lacks foundation.
- Q. To your knowledge, was there ever any
- intent on the part of Lehman that the clarifying
- letter would provide Barclays an additional \$2.2
- billion in margin at OCC?
- ¹⁸ A. No.
- Q. What about margin, additional margin
- that Lehman had at any other clearing
- corporations, and I want to specifically include
- 22 any foreign clearing corporations, counterparts
- to the OCC, were you aware, was there ever any
- negotiations or intent on the part of Lehman to
- transfer any such margin, cash or additional

